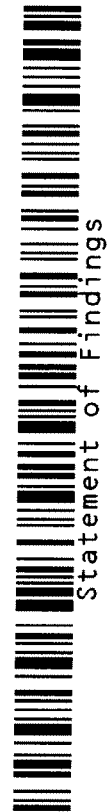


Statement of Findings

Number: _____



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CESAJ-RD-P (1145b)
2007-1175 (IP-AWP)

MEMORANDUM FOR RECORD

SUBJECT: Department of the Army Environmental Assessment and
Statement of Findings for the Above-numbered Permit Application

1. Applicant: Florida Department of Transportation, District III
Attn: Joy Giddens
P.O. Box 607
Chipley, Florida 32428

2. Location, Project Description, Existing Conditions: The
project is located at the south end of US331, in Sections 20, 29, 30,
and 31, Township 2 south, and Range 19 west, Walton County, Florida.

The Florida Department of Transportation (FDOT) proposes to fill
approximately 5.73 acres and dredge approximately 0.32 acres of marsh,
forested, and stream wetlands in order to widen approximately 1.6
miles of US331 from two to four lanes, beginning at the intersection
of US98 and US331, heading north, and ending at the south end of the
Choctawhatchee Bay Bridge. No dredge or fill activities are proposed
in Choctawhatchee Bay.

The 1.6-mile linear project area is restricted to existing FDOT right
of way. The project will impact several wetland communities, at nine
identified sites, as shown on project drawings and summarized in the
following table:

The area surrounding the project site consists of FDOT easement,
commercial development, residential development, undeveloped land, and
Choctawhatchee Bay to the north.

3. Project Purpose: Basic: To make road improvements.
Overall: To widen a segment of US331 to meet increased transportation
needs in south Walton County.

4. Scope of Analysis: The scope of analysis was limited to the
project site and included endangered species, essential fisheries
habitat concerns, and cultural resources.

5. Statutory Authority: Section 10 of the Rivers and Harbors
Act of 1899 (33 U.S.C. 403) and Section 404 of the Clean Water
Act (33 U.S.C. 1344).

6. Other Federal, State, and Local Authorizations Obtained or
Required and Pending:

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a. State Permit/Certification: The Department of Environmental Protection (DEP) permit number 66-0273702-001-DF was issued on 30 November 2007.

b. Coastal Zone Management (CZM) consistency/permit: There is no evidence or indication from the State of Florida that the project is inconsistent with the Florida Coastal Zone Management Plan. Issuance of a DEP permit certifies that the project is consistent with the CZM plan.

c. Other Authorizations: No information has been received regarding any other authorizations that may be required.

7. Date of Public Notice and Summary of Comments

a. The application was received on 20 February 2007. Additional information was requested by letter dated 6 March 2007. The application was considered complete on 23 March 2007. A public notice was issued on 30 March 2007, and sent to all interested parties including appropriate State and Federal agencies. All comments received on this application have been reviewed and are summarized below:

(1) Environmental Protection Agency (EPA): Did not respond to the public notice.

(2) U.S. Fish and Wildlife Service (FWS): By letter dated 2 May 2007, FWS stated the proposed work is not likely to adversely affect resources protected by the Endangered Species Act. Further, the FWS commented in accordance with the Fish and Wildlife Coordination Act, stating the project should be mitigated in accordance with South Walton County Area Mitigation Project. A portion of the project may be located in the Bowman Bayou Priority Area.

(3) National Marine Fisheries Service (NMFS): By letter dated 30 April 2007, the NMFS stated the project will not directly impact trust resources. NMFS recommended that the road's stormwater treatment system be upgraded to prevent degraded water from entering estuarine habitats within Choctawhatchee Bay.

(4) State Historic Preservation Officer (SHPO): By letter dated 26 April 2007, SHPO indicated that the proposed project would have no effect on any sites listed, or eligible for

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listing, in the National Register of Historic Places, or
otherwise of national, state, or local significance.

(5) No comments were received from State or Local
agencies, organizations, individuals or any other interested
party.

b. Applicant's response to the comments: The comments were
not coordinated with the applicant since no adverse comments were
received.

8. Alternatives:

a. Avoidance (No action, uplands, availability of other
sites): The no action alternative would not allow for project
completion. The applicant proposes to widen an existing roadway
within its right-of-way. Two stormwater ponds will be constructed
outside of the existing right-of-way. One pond will utilize an
existing borrow pit and the other will impact shrub wetlands
which have been impacted by lack of fire suppression. The roadway
corridor is predominately developed with the exception of the
southern third of the project limits. Alternative corridors were
not evaluated due to increased cost and environmental concerns.
New roadway corridors would not be feasible.

b. Minimization (modified project designs, etc.): Based on
the developed nature of the project corridor and the limited
amount of available right-of-way, the applicant has minimized
wetland impacts to the maximum extent practicable. The Corps
previously authorized installation of a buried gas line along the
western limits of the roadway. The installation of this gas line
has impacted existing on-site wetlands. The applicant was not
asked to further explore minimization alternatives beyond those
already achieved, given the quality of the existing resource.

c. Compensatory Mitigation (Wetland enhancement, creations,
etc.): The applicant has completed a functional assessment and
determined the project as proposed will cause the loss of 3.8
functional units. During this site visit the Corps observed the
installation of a pipe line by the Okaloosa Gas District
authorized by Department of the Army (DA) permit SAJ-2005-
9438(IP-DEB). Additionally, the Corps observed that wetland 2
has been impacted by the relocation of existing utilities. The
installation of utilities has altered the functions and values of
wetlands on the west side of the roadway within the roadway

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corridor, specifically wetlands 1, 2, & 5. The Corps generally concurs with the functional assessment provided by the applicant. The applicant will provides mitigation pursuant to Senate Bill 1986 Rule - Section 373.4137 Florida Statutes (F.S.). Compensation for the loss of 3.77 functional units will include acquisition, preservation, and enhancement of uplands and wetlands within the Live Oak Peninsula, section 5.3.5, February 8, 2008, update of the Northwest Florida Umbrella, Watershed-Based, Regional Mitigation Plan (PLAN), as defined in the agreement between the Northwest Florida Water Management District (NWFWMMD) and the U.S. Army Corps of Engineers (Corps), Jacksonville District, July 31, 2006.

9. Evaluation of the 404(b)(1) Guidelines: The proposed project has been reviewed in accordance with the 404 (b)(1) Guidelines. The review shows that all the alternatives have been reviewed and it has been adequately demonstrated that the proposed alternative is the least environmentally damaging and only practicable alternative considering cost, existing technology and logistics. It would not cause or contribute to violations of State Water quality standards, jeopardize the existence of any endangered species or impact a marine sanctuary. No significant degradation would be expected and all appropriate and practicable steps have been taken to minimize impacts.

10. Public Interest Review:

a. Corps analysis of comments and responses: All comments received in response to the public notice have been considered in the following public interest review.

b. All public interest factors have been reviewed, including but not limited to the effects the work might have on conservation, economics, esthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, land use, navigation, shore erosion and accretion, recreation, water quality, safety, and consideration of property ownership. It has been determined that the proposed work will not adversely impact any of the public interest factors.

c. Describe the relative extent of the public and private need for the proposed structure or work: Public benefits include employment opportunities and a potential increase in the local tax base. Private benefits include land use and economic return on the property.

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d. Describe the practicability of using reasonable alternative locations and methods to accomplish the objective of the purposed work where there are unresolved conflicts as to resource use: The NMFS recommended the applicant upgrade the stormwater treatment system to prevent degraded water from entering estuarine habitats. The applicant has upgraded the stormwater system to include wet detention ponds for treatment and storage of runoff. A small portion of the project just south of the existing bridge cannot be captured due to topographic changes. Additional impacts to residences and businesses would have been required to capture and treat this small area. The applicant determined these impacts could not be financially justified. There are no other unresolved conflicts regarding resource use.

e. Describe the extent and permanence of the beneficial and/or detrimental effects which the proposed work is likely to have on the public and private uses to which the area is suited: Detrimental impacts are expected to be minimal although they would be permanent in the construction area. The beneficial effects for public transportation may include an increase in public safety, increased carrying capacity of the roadway and the more effective movement of vehicular traffic. The increased carrying capacity may also facilitate intrastate/interstate commerce.

f. Threatened or Endangered Species: The proposed project will not jeopardize the continued existence or critical habitat of any threatened or endangered species. This determination is supported by the FWS letter dated 2 May 2007.

g. Essential Fisheries Habitat (EFH): The public notice included an initial determination that the project would have a minor adverse impact on EFH or Federally managed fisheries. The NMFS did not provide any EFH conservation recommendations in response to the public notice. Therefore, the Corps is satisfied that the consultation procedures outlined in 50 CFR Section 600.920 of the regulation to implement the EFH provisions of the Magnuson-Stevens Act have been met.

h. Corps Wetland Policy: The proposed wetland alteration is necessary to realize the project purpose and should result in minimal adverse environmental impacts. The benefits of the project would outweigh the minimal detrimental impacts. The

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project would result in a no-net loss of wetland functions and values. Therefore the project is in accordance with the Corps wetland policy.

i. Cumulative and Secondary Impacts: Cumulative and secondary impacts would not be unacceptable. Cumulative impacts will be reduced by the completion of compensatory mitigation within the same drainage basin. If mitigation cannot be secured within the same basis additional mitigation including a proximity factor will be required to offset any cumulative impacts. Filling of wetlands at this project site would not set precedent for additional filling activities in waters of the United States to occur. The applicant will implement Best Management Practices as well as erosion control measures to reduce secondary impacts.

j. Corps Comments and Responses: NMFS comments were forward to the applicant for consideration. The applicant responded stating the existing roadway does not have any stormwater treatment and the roadway improvements will incorporate stormwater management requirements consistent with FDEP regulations. The portion of the roadway near the bay cannot be conveyed back to the wet detention pond.

11. Determinations:

a. Finding of No Significant Impact (FONSI). Having reviewed the information provided by the applicant and all interested parties and an assessment of the environmental impacts, I find that this permit action will not have a significant impact on the quality of the human environment. Therefore, an Environmental Impact Statement will not be required.

b. Compliance with 404(b)(1) guidelines. Having completed the evaluation in paragraph 7 above, I have determined that the proposed discharge complies with the 404(b)(1) guidelines.

c. Public interest determination: I find that issuance of a Department of the Army permit is not contrary to the public interest.

d. Section 176(c) of the Clean Air Act General Conformity Rule Review: The proposed permit action has been analyzed for conformity applicability pursuant to regulations implementing Section 176(c) of the Clean Air Act. It has been determined that

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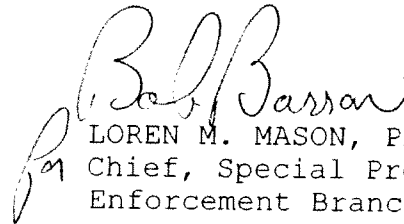
the activities proposed under this permit will not exceed *de minimis* levels of direct emissions of a criteria pollutant or its precursors and are exempted by 40 CFR Part 93.153. Any later indirect emissions are generally not within the Corps' continuing program responsibility and generally cannot be practicably controlled by the Corps. For these reasons a conformity determination is not required for this permit action.

PREPARED BY:



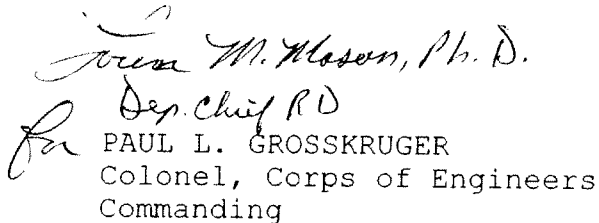
ANDREW W. PHILLIPS
Project Manager

REVIEWED BY:



LOREN M. MASON, PhD.
Chief, Special Projects and
Enforcement Branch

APPROVED BY:



Dep. Chief RD
PAUL L. GROSSKRUGER
Colonel, Corps of Engineers
Commanding

CF:

CESAJ-RD-PE